

Utah Energy Generation and Transmission Planning

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Carl R. Albrecht

Senate Sponsor: Evan J. Vickers

LONG TITLE

General Description:

This bill enacts provisions establishing requirements for Public Service Commission participation in regional transmission organizations and independent system operators.

Highlighted Provisions:

This bill:

- defines terms;
requires notice of community clean energy programs to include a simple opt-out method and submission instructions;
requires the commission to participate in regional transmission organizations and independent system operators where Utah utilities are members;
authorizes the commission to contract for independent analysis of market data;
requires annual reporting to the Legislature on impacts to Utah customers; and
requires notification to the Legislature if the commission is denied access or participation.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

54-17-905, as last amended by Laws of Utah 2024, Chapter 53

ENACTS:

54-27-101, Utah Code Annotated 1953

54-27-102, Utah Code Annotated 1953

54-27-103, Utah Code Annotated 1953

28 **54-27-104**, Utah Code Annotated 1953

29 **54-27-105**, Utah Code Annotated 1953

30

31 *Be it enacted by the Legislature of the state of Utah:*

32 Section 1. Section **54-17-905** is amended to read:

33 **54-17-905 . Customer participation -- Election not to participate.**

34 (1)(a) After commission approval of a community clean energy program and adoption of
 35 the ordinance by the participating community as required in Section 54-17-903, a
 36 qualified utility shall provide notice to each of its customers within the participating
 37 community that includes:

38 (i) the projected rates and terms of participation in the community clean energy
 39 program approved by the commission;

40 (ii) an estimated comparison to otherwise applicable existing rates;

41 (iii) an explanation that the customer may elect to not participate in the community
 42 clean energy program by notifying the qualified utility;

43 (iv) a simple method, such as checking a box or signing a statement, for the customer
 44 to indicate on the notice the customer's election to not participate in the
 45 community clean energy program;

46 (v) instructions for submitting the notice to the qualified utility to opt out of the
 47 community clean energy program; and

48 [~~(iv)~~] (vi) any other information required by the commission.

49 (b) The notice required under Subsection (1)(a) shall prominently display the
 50 information described in Subsections (1)(a)(iv) and (v).

51 [~~(b)~~] (c) The qualified utility shall provide the notice required under Subsection (1)(a) to
 52 each customer:

53 (i) no less than twice within the period of 60 days immediately preceding the date
 54 required to opt out of the community clean energy program; and

55 (ii) separately from the customer's monthly billing.

56 [~~(c)~~] (d) The qualified utility shall provide the information required under Subsection
 57 (1)(a) in person to each customer with an electric load of one megawatt or greater
 58 measured at a single meter.

59 (2)(a) An existing customer of the qualified utility may elect to not participate in the
 60 community clean energy program and continue to pay applicable existing rates by:

61 (i) submitting the notice described in Subsection (1)(a) to the qualified utility; or

- 62 (ii) giving notice to the qualified utility in the manner and within the time period
63 determined by the commission.
- 64 (b) After implementation of the community clean energy program:
- 65 (i) a customer that previously elected not to participate in the program may become a
66 participating customer as allowed by commission rules and by giving notice to the
67 qualified utility in the manner required by the commission; and
- 68 (ii) a customer of the qualified utility that begins taking electric service within a
69 participating community after the date of implementation of the community clean
70 energy program shall:
- 71 (A) be given notice as determined by the commission; and
- 72 (B) shall become a participating customer unless the person elects not to
73 participate by giving notice to the qualified utility in the manner and within the
74 time period determined by the commission.
- 75 (3)(a) A customer that does not opt out of the community clean energy program under
76 Subsection (2) may later discontinue participation in the community clean energy
77 program as allowed by the commission as described in Subsection (3)(b) or (c).
- 78 (b)(i) During the initial opt-out period, a participating customer may elect to leave the
79 program by giving notice to the qualified utility in the manner determined by the
80 commission.
- 81 (ii) A participating customer that opts out as described in Subsection (3)(b)(i) is not
82 subject to a termination charge.
- 83 (c) After the community clean energy program's initial opt-out period, a participating
84 customer may elect to leave the program by:
- 85 (i) giving notice to the qualified utility in the manner determined by the commission;
86 and
- 87 (ii) paying a termination charge as determined by the commission that may include
88 the cost of clean energy resources acquired or constructed for the community
89 clean energy program that are not being utilized by participating customers as
90 necessary to prevent shifting costs to other customers of the qualified utility.
- 91 (4)(a) A customer of a qualified utility that is annexed into the boundaries of a
92 participating community after the effective date of the community clean energy
93 program shall be given notice as provided in Subsection (1) advising the customer of
94 the option to opt out of the program.
- 95 (b) A participating customer located in a portion of a county that is annexed into a

96 municipality that is not a participating community shall continue to be included in the
 97 clean energy program if the customer remains a customer of the qualified utility.

98 (c) If a participating customer is annexed into a municipality that provides electric
 99 service to the municipality's residents:

100 (i) the customer may continue to be served by the qualified utility under the
 101 community clean energy program if the qualified utility enters into an agreement
 102 with the municipality under Section 54-3-30; or

103 (ii) the municipality shall pay the termination charge for each participating customer
 104 that is no longer served by the qualified utility.

105 (5) A residential customer that is participating in the net metering program under Title 54,
 106 Chapter 15, Net Metering of Electricity, may not be a participating customer under this
 107 part.

108 (6)(a) The cost of providing notice under Subsection (1) shall be paid by the
 109 participating communities.

110 (b) All other notices required under this section shall be paid for as program costs and
 111 recovered through participating customers' rates.

112 Section 2. Section **54-27-101** is enacted to read:

113 **CHAPTER 27. Regional Transmission Organizations and Independent System**

114

Operators

115 **54-27-101 . Definitions.**

116 As used in this chapter:

117 (1) "Commission" means the same as that term is defined in Section 54-2-1.

118 (2) "Electrical corporation" means the same as that term is defined in Section 54-2-1.

119 (3) "Independent system operator" means a regional transmission organization recognized
 120 by the Federal Energy Regulatory Commission that administers electric transmission
 121 and markets.

122 (4) "Regional transmission organization" means an entity approved by the Federal Energy
 123 Regulatory Commission that coordinates, controls, or monitors electricity transmission
 124 on a regional basis.

125 (5) "Transmission provider" means the same as that term is defined in Section 54-26-101.

126 Section 3. Section **54-27-102** is enacted to read:

127 **54-27-102 . Commission participation in a regional transmission organization or**

128 **independent system operator.**

129 (1) The commission shall actively participate in a regional transmission organization or
130 independent system operator in which a transmission provider or electrical corporation
131 serving Utah customers is a member or market participant.

132 (2) Participation under Subsection (1) includes engagement in:

133 (a) stakeholder processes;

134 (b) governance committees;

135 (c) technical forums; or

136 (d) market-related proceedings.

137 Section 4. Section **54-27-103** is enacted to read:

138 **54-27-103 . Commission data access and analysis.**

139 (1) The commission shall obtain operational, market, and reliability data from a regional
140 transmission organization or independent system operator.

141 (2) The commission may enter into a data-sharing agreement or confidentiality agreement
142 to obtain the data described in Subsection (1).

143 (3) Data obtained under this section may include:

144 (a) resource sufficiency and adequacy results;

145 (b) transmission constraint modeling;

146 (c) congestion revenue rights, congestion offsets, and related settlement data;

147 (d) unit commitment or dispatch information;

148 (e) outage coordination data;

149 (f) tariff test results;

150 (g) monthly master file data;

151 (h) Western Energy Imbalance Market neutrality charges;

152 (i) out-of-market payments, including reliability run cost data;

153 (j) resource adequacy data; or

154 (k) deliverability, adequacy, or system impact studies.

155 (4) The commission may contract with an independent expert or market monitor to review
156 and verify modeling, analyses, or cost allocations affecting a Utah generation facility or
157 transmission facility.

158 Section 5. Section **54-27-104** is enacted to read:

159 **54-27-104 . Transparency, accountability, and reporting.**

160 (1) On or before November 30 of each year, the commission shall report to the Public
161 Utilities, Energy, and Technology Interim Committee regarding:

- 162 (a) whether Utah customers are paying congestion costs associated with constraints
 163 primarily outside Utah;
- 164 (b) whether a regional transmission organization or independent system operator test or
 165 sufficiency measure imposes disproportionate burdens on electrical corporations or
 166 transmission providers serving Utah customers;
- 167 (c) the extent to which another state or region relies on a Utah generation facility or
 168 transmission facility to satisfy a regional transmission organization or independent
 169 system operator sufficiency requirement, adequacy requirement, or deliverability
 170 requirement;
- 171 (d) whether the commission is afforded parity of access and participation with other
 172 state regulators in regional transmission organization or independent system operator
 173 governance, processes, and data availability; and
- 174 (e) a recommended statutory change or regulatory change necessary to maintain parity
 175 of access and participation and ensure continued protection of Utah customers.
- 176 (2) The commission shall include in the report described in Subsection (1) a finding on how
 177 Utah's participation in a regional transmission organization or independent system
 178 operator may have a positive impact or negative impact on Utah customers.

179 Section 6. Section **54-27-105** is enacted to read:

180 **54-27-105 . Notification of lack of access or participation.**

- 181 (1) If the commission is denied access to data, a process, or participation available to
 182 another state regulatory body, or is otherwise unable to obtain information necessary to
 183 fulfill the commission's duties under this chapter, the commission shall, within 30 days
 184 after the day on which the commission is denied access or is unable to obtain the
 185 information, notify:
- 186 (a) the Legislative Management Committee; and
 187 (b) the Public Utilities, Energy, and Technology Interim Committee.
- 188 (2) The commission's notice described in Subsection (1) shall identify the data, process, or
 189 participation that was denied or unavailable and may include a recommendation for
 190 remedying the deficiency.

191 Section 7. **Effective Date.**

192 This bill takes effect on May 6, 2026.